GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:34
ANSWERED ON:16.07.2002
SWARNA JAYANTI GRAM SWAROZGAR YOJANA
ARUN KUMAR;SUSHIL KUMAR INDORA

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Swarna Jayanti Gram Swarozgar Yojana (SGSY) was started after the merging of several other schemes;

(b) if so, the aim of merging these schemes;

(c) whether the Government have decided to make certain changes in the guidelines of this Yojana;

(d) if so, the details thereof;

(e) the extent to which the proposed changes are likely to improve the implementation of the scheme;

(f) whether the training of the rural poor in cutting and tailoring in Delhi has been discontinued; and

(g) if so, the reasons therefor and the steps taken for restoring the implementation of the scheme in Delhi?

Answer

MINISTER OF RURAL DEVELOPMENT (SHRI SHANTA KUMAR)

(a) to (g) A Statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No. 34 due for reply on 16-7-2002

The Swarnajayanti Gram Swarozgar Yojana (SGSY) was launched in April, 1999 following the restructuring of the (erstwhile) Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self Employment (TRYSEM), Development of Women and Children in Rural Areas (DWCRA), Supply of Improved Tool Kits to Rural Artisans (SITRA) and Ganga Kalyan Yojana (GKY). The objective of the Swarnjayanti Gram Swarozgar Yojana is to bring the assisted poor families (Swarozgaris) above the poverty line by organizing them into Self Help Groups (SHGs), through the process of social mobilization, their training and capacity building and provision of income generating assets through a mix of Bank credit and Government subsidy. In addition to the absence of requisite linkages, the implementation of the earlier Programmes was more directed towards individual programme targets rather than focussing on the substantive issue of sustainable income generation.

2. The Ministry of Rural Development have recently introduced certain amendments in relevant portions of the Guidelines of the Swarnjayanti Gram Swarozgar Yojana (SGSY) in the light of the recommendations of the National Conference on the `SHG Movement in the Country and the SGSY` held in June 2001, the Report of the Working Group on Poverty Alleviation for the Tenth Five Year Plan and the feedback/suggestions received from the States/UTs. A Summary of the amendments is enclosed at the Annexure and it is expected that with greater flexibility being provided to the States / DRDAs under the revised Guidelines, the Programme would be more effectively implemented in the field.

3. The Programme is not being implemented in Delhi.

ANNEXURE

Summary of Amendments

Number of Key Activities - The earlier provision of 4-5 key activities per block was very restrictive. In order to facilitate coverage of varied activities, the number of key activities selected in a block has been increased upto 10. However, focus should be on 4-5 key activities which are identified for training and micro enterprise development in a cluster approach for larger number of groups with desired backward and forward linkages.

Income from the Economic Activity - The economic activity taken up by the Swarozgaris should generate appreciable incremental income sustained over a period of time which will help the Swarozgaris to effectively cross the poverty line. DRDAs may ensure that the anticipated income as stipulated in the Project is realised during the project period and projects are not under financed.

Size of the Self Help Group - A Self Help Group (SHG) may generally consist of 10-20 persons. However, in difficult areas like deserts, hills and areas with scattered and sparse population and in case of minor irrigation and disabled persons, it has been decided to allow Self Help Groups with members ranging from 5-20 persons. The difficult areas have to be identified by the State Level SGSY Committee.

Composition of the Self Help Group - All members of the Group should belong to families below the poverty line. However, it has been seen in the villages that there are families who may be marginally above the poverty line residing contiguously with the BPL families. The income level of such families may fluctuate in times of distress. Therefore, in order to include such families in the Self Help Group, the Guidelines have been amended to allow, if necessary, a maximum of 20%, and in exceptional cases, where essentially required, upto a maximum of 30% of the members in a Group may be from families marginally above the poverty line, living contiguously with BPL families and if they are acceptable to BPL members of the Group. The APL members of the Group will not be eligible for subsidy under the Scheme and shall not become office bearers (Group Leader, Assistant Group Leader or Treasurer) of the Group. The BPL families must actively participate in the management and decision making which should not be entirely in the hands of APL families.

Provision for utilising the service of Animators/Community Coordinators - The SGSY is a process oriented Scheme. Therefore, the role of Facilitator is very crucial in social mobilisation of people, formation and nurturing of SHGs. Many areas of the Country do not have presence of NGOs who could be involved as Facilitators. Keeping this aspect in view, DRDAs have been permitted to use the services of trained individuals as Facilitators. The District SGSY Committee may select suitable organisations / societies/ individuals as Facilitators / Community Coordinators based on their past experience in SHG formation, community organisation or any other similar work involving participatory approach, communication skill, ability to stay with the people in the rural area etc. They would have to stay for a period of 2-3 years with the group to ensure continuity as well as enable the groups to mature into a self managed organisations. A Community Coordinator / Animator could take up the responsibility of managing 10-15 SHGs in a geographical cluster consisting of 4-5 villages with in a radius of 4-5 Kms.

Flexibility in utilisation of Funds - The SGSY is a process oriented Scheme, therefore, the States/ UTs may be in different stages of the implementation of the Scheme and group formation. The fund required for training and capacity building including Basic Orientation, Skill development, Entrepreneurship development, Revolving fund to SHGs and Subsidy for economic activity may vary from State to State. The DRDAs may prioritise the expenditure on different components i.e. Training and capacity building, Revolving Fund and Subsidy for economic activity based on the local requirements and different stages of group formation. However, the expenditure on infrastructure will not exceed 20% of the total annual allocation (25% in case of NE States).

Provision for Studies related to Marketing Research / value addition of products -An amount up to Rs.Five lakhs annually may be spent from the funds available under the Scheme on management of professional input related to marketing research, value addition or product diversification or any other input which would facilitate formulation of viable projects and marketing of the produce, ultimately resulting in additional income to the Swarozgaries and development of models which could be replicated .

Subsidy Norms for SHGs and Disabled Persons - Subsidy under the SGSY will be uniform at 30 % of the project cost, subject to a maximum of Rs.7500/-. In respect of SC/STs and disabled persons however, these will be 50% and Rs. 10,000/- respectively. For group of Swarozgaris (SHGs), the subsidy would be 50% of the project cost subject to per capita subsidy of Rs.10,000/- or Rs. 1.25 lakhs, whichever is less. There will be no monetary limit on subsidy for irrigation projects.

Expenditure on Training - The DRDA will be entitled to meet the expenses, incurred by the training institution for both Basic Orientation and Skill Development Training from out of the SGSY Fund. The Basic Orientation Training may include topics on concept of Self Help, group dynamics, conflict resolution, conduct of group meetings, maintenance of records, awareness about social and family welfare programmes etc. The training for skill development may include skill upgradation through exposure to latest tools and technology, value addition and diversification of products, entrepreneurship development, marketing skills, packaging, labeling etc. The total expenditure on Basic Orientation and skill development training will not exceed Rs.5,000 per trainee.

Expenditure on Fairs and Exhibitions for Swarozgaris - Expenditure incurred in organising fairs, exhibitions and participation of Swarozgaris in fairs and exhibitions may be met from the funds available under the SGSY Programme Infrastructure .

Relaxation of Time for Grading of SHGs - For minor irrigation schemes, relaxation of time for the second grading could be allowed, if the group is found credit-worthy and the project is viable. The decision in regard to the relaxation may be taken by the Block Level SGSY Committee.

In case, the Self Help Group has been in existence prior to the SGSY under other Programmes and have completed six / twelve months from the date of formation and it is brought under the SGSY, such Groups may be subjected to First / Second Grading, without waiting for another six / twelve months for sanction of Revolving Fund / Economic Activity respectively.